

## Message Text

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15

ACTION AID-59

INFO OCT-01 EA-11 ADP-00 CIAE-00 COME-00 EB-11 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 CIEP-02

OMB-01 IGA-02 NSC-10 SS-15 STR-08 CEA-02 PRS-01

USIA-15 PA-03 RSR-01 /174 W

----- 013356

R 060425Z AUG 73

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 5582

AMEMBASSY KUALA LUMPUR

LIMITED OFFICIAL USE TOKYO 9983

E.O. 11652: N/A

TAGS: EAID, MY, JA

SUBJECT: JAPANESE AID TO MALAYSIA

REF: A) KUALA LUMPUR A-119, JULY 5, 1972

B) TOKYO 3702

1. DURING AUGUST 3 CALL ON WATANABE, DEPUTY HEAD, FIRST ECONOMIC COOPERATION BUREAU, FONOFF, EMBOFFS ASKED ABOUT UTILIZATION OF QTE SECOND YEN LOAN UNQTE OF Y36 BILLION EXTENDED TO MALAYSIA BY GOJ IN 1972. WATANABE EXPLAINED THAT GOJ AND GOM HAD PREVIOUSLY AGREED ON SOME SMALLER PROJECTS TO BE FINANCED BY LOAN, AND HAD BEEN DISCUSSING LARGER PROJECTS. DURING RECENT VISIT TO JAPAN BY MALAYSIAN PM RAZAK, AGREEMENT WAS REACHED ON TWO LARGE PROJECTS: SHIPYARD AT JOHORE AND TWO PALM OIL TANKERS.

2. ACCORDING WATANABE, SHIPYARD PRESENTED NO PARTICULAR PROBLEM (CF REF A). TANKERS DID PRESENT PROBLEM IN THAT THEY ARE USUALLY REGARDED AS INCOME GENERATING ASSETS WHICH MUST BE FINANCED WITH COMMERCIAL LOANS. IN ULTIMATELY REACHING FAVORABLE DECISION RE TANKERS, GOJ  
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KEPT IN MIND GOM EFFORTS TO DIVERSIFY ECONOMY, AND FACT

THAT PALM OIL TANKERS ARE SPECIAL PURPOSE VESSELS UNABLE  
TO CARRY OTHER CARGO. MALAYSIA'S TANKERS,  
IT IS PROPOSED, WILL CARRY PALM OIL TO EUROPE, BUT  
RETURN TO MALAYSIA EMPTY. CONSEQUENTLY, GOJ DECIDED  
ALLOW UTILIZATION OF YEN LOAN FOR THIS PURPOSE. WATANABE  
SAID THIS DECISION IS EXCEPTION TO GOJ POLICY,  
AND THUS WILL NOT BE PUBLICIZED.  
SHOESMITH

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LOAN AGREEMENTS, ECONOMIC PROGRAMS, CARGO SHIPS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 06 AUG 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** elyme  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973TOKYO09983  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** TOKYO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730854/aaaabnyq.tel  
**Line Count:** 69  
**Locator:** TEXT ON-LINE  
**Office:** ACTION AID  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 73 A) KUALA LUMPUR A-119, JULY 5, 19, 72  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** elyme  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 07 NOV 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <07-Nov-2001 by martinml>; APPROVED <04-Dec-2001 by elyme>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** JAPANESE AID TO MALAYSIA  
**TAGS:** EAID, MY, JA  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005